

INTERVIEW SUMMARY

Applicant would like to thank the Examiner and her supervisor, Supervisory Examiner Robert Weinhardt, for conducting a telephonic interview with Applicant's attorney, Aaron S. Haleva on December 1, 2009. The pending rejections under 35 U.S.C. §§101 and 103(a) were discussed. As to the 35 U.S.C. §101 rejections, Applicant's attorney proposed amendments to claims 1 and 18 implementing the Examiner's suggestions in the Final Office Action provided at page 21, paragraph 9 (under Response to Arguments), as provided in the Interview Agenda filed by Applicant's attorney prior to the interview. The Examiners agreed that these amendments would overcome the 35 U.S.C. §101.

As to the rejections under 35 U.S.C. §103(a), Applicant's attorney explained the distinctions between the claimed invention and the prior art. The claimed invention is directed to embodiments of a system, method and computer program product for enhancing the value of a credit card (or other payment product) to a credit card holder and encouraging increased use of the credit card as a payment device by rewarding the card holder based not only on qualifying purchases but on **miles associated with travel ticket or other travel pass purchases**. None of the cited prior art teaches rewards based on miles associated with purchased travel tickets. The cited prior art generates rewards solely as a function of purchases. The prior art may incentivize purchases in general, but it does not and cannot teach incentivize travel in general. At the same time, the claimed invention is not a frequent flyer program; any purchase of essentially *any* travel ticket or travel pass, *for any mode of travel*, in any combination, qualifies. Nor is the claimed invention a standard purchase rebate of purchase rewards program, as only travel purchases qualify.

The Examiners agreed that this feature distinguishes over the cited art but expressed a concern that the claims may read on the prior art. Applicant's attorney agreed to amend the independent claims to capture this distinction even more starkly.

REMARKS

In view of the foregoing amendments and following remarks, reconsideration and allowance of this patent application is earnestly solicited.

Claims 1-43, 46-48, 50 and 53-69 were examined and stand rejected variously under 35 U.S.C. §§101 and 103(a) for the reasons set forth in the Final Office Action. Claims 1, 18, 33, 50 and 65 have been amended herein. Claims 1, 18, 33, 50 and 65 are the independent claims. Favorable reconsideration is requested.

Rejections Under 35 U.S.C. §101

Claims 1-32 stand rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter. In the interview Applicant's attorneys proposed amendments to independent claims 1 and 18 which followed the examiner's suggestions as articulated in the Final Office Action. The Examiner and Supervisory Examiner Weinhardt, agreed that these proposed amendments would obviate the 35 U.S.C. §101 rejections.

Applicant has made the amendments as proposed in the interview to claims 1 and 18, and thus the rejections under 35 U.S.C. §101 should be removed. Notice to this effect is respectfully requested.

Rejections Under 35 U.S.C. §103(a)

Claims 1-43, 46-48, 50 and 53-69 stand rejected under 35 U.S.C. §103(a) as being obvious over U.S. Patent Application Publication No. U.S. 2003/0078864 A1 to Hardesty et al. ("Hardesty") variously in view of: (i) U.S. Patent No. 5,774,870 to Storey ("Storey"), and (ii) the webpage "PNC

BANK The Thinking Behind The Money” as it apparently appeared on PNC Bank’s website in December 2002. The Examiner also cites an article that apparently appeared on the website *www.frugalmarketing.com* in April 2002, for the general and non-controversial proposition that loyalty programs are generally known. For the reasons set forth below, Applicant traverses these claim rejections.

The present invention is directed to embodiments of a system, method and computer program product for enhancing the value of a credit card (or other payment product) to a credit card holder and encouraging increased use of the credit card as a payment device by rewarding the card holder based not only on qualifying purchases but on the miles associated with travel ticket or other travel pass purchases. Qualifying transaction information and the data from which miles traveled can be determined are used to calculate the appropriate number of points earned by the card holder based on rules or other criteria which can reside in a database.

In accordance with embodiments of the present invention, Level 3 Data can be leveraged in the calculation of miles traveled. Also, rewards redeemed by the credit card holder are not tied to a particular provider of goods or services, and rewards fulfillment can be managed through the credit card issuer or its fulfillment agent. Applicant, having invented such a new, unique and non-obvious system, method and computer program product, is therefore entitled to appropriate patent protection for the invention and contribution to the art. As noted in the interview, the claimed invention is a non-intuitive innovative system and method, which reflects the inventive insight of the Applicant.

In contrast, Hardesty, the principal reference cited, is not at all concerned with, and, accordingly, nowhere describes, teaches or even suggests, rewarding the holder of a credit card or the like based not on qualifying purchases **but on miles traveled in connection with travel ticket or**

other travel pass purchases. Hardesty is principally concerned with the form of reward payments to credit card users – namely, payments to trust fund accounts to encourage savings. The underlying basis for the rewards, however, is nothing more than the conventional qualifying purchase – and not travel miles calculated from and associated with the purchase.

In short, Hardesty is nothing more than a standard rebate system where the reward is calculated as a percentage of purchases – any purchases. The wrinkle of Hardesty is that the reward is not merely sent to the user or credited to his or her account – rather, it is deposited in a savings account. By this vehicle Hardesty touts offering and encouraging a savings program for the users of its described system. It is crucial to understand that Hardesty purports to incentivize savings by making the reward a savings account. Hardesty innovates nothing whatsoever as concerns the qualifying behavior or qualifying purchases by which one can earn a reward.

Again, in stark contrast, the claimed invention promotes travel by setting the claimed pre-defined rewards eligibility criteria such that a qualified purchase transaction is a transaction in which a ticket for any mode of travel is purchased, including travel passes for multiple mode travel.

Thus, Applicant urges that none of the cited prior art teaches rewards based on purchased travel tickets. However, on the other hand, the claimed invention is not a frequent flyer program; any purchase of essentially any travel ticket qualifies. Nor is the claimed invention a standard rewards based on purchases program, as only travel ticket purchases qualify.

In stark contrast to the embodiments of Applicant's invention as claimed in independent claims 1, 18, 33, 50 and 65, the Hardesty published application, the principal reference cited by the Examiner, is not at all concerned with, and, accordingly, nowhere describes, teaches or suggests, rewarding the holder of a credit card or the like based not only on qualifying purchases but on miles traveled in connection with travel ticket or other travel pass purchases. Indeed, the Examiner

acknowledges as much in the Office Action (see, e.g., page 4: “In Hardesty’s system the). . Hardesty is principally concerned with the form of reward payments to credit card users – namely, payments to trust fund accounts to encourage savings. The underlying basis for the rewards, however, is nothing more than the conventional qualifying **purchase – and not travel miles calculated from and associated with the purchase.**

In contrast, the Hardesty published application, the principal reference cited, is not at all concerned with, and, accordingly, nowhere describes, teaches or suggests, rewarding the holder of a credit card or the like based not only on qualifying purchases **but on miles associated with travel ticket or other travel pass purchases.**

Neither the Storey nor PNC Bank references cited by the Examiner in combination with Hardesty overcome the severe deficiencies of Hardesty discussed above.

Storey is directed to an electronic system for effecting the redemption of rewards for conventional frequency award programs (e.g., frequent flyer programs). The Examiner relies on Storey principally for its general mention of conventional frequency award programs in the Background of the Invention section of the Storey patent. However, what the Examiner fails to appreciate is that frequency award programs with which Storey is concerned do not translate to a credit card reward program application, let alone of the novel type under consideration. Applicant’s credit card rewards program is concerned with building loyalty to the card and not to specific carriers or providers of travel passage. Indeed, conventional frequent flyer programs are also mentioned in the Background of the Invention section of Applicant’s patent application to highlight the novel benefits of Applicant’s invention (see paragraph [0008]). That is, the frequency award programs noted in Storey encourage use of the goods or services of specific providers of goods or services (e.g., a particular airline, cruise line, railway or bus line) and are not at all concerned with encouraging -- and

do not encourage -- increased use of a particular credit card issuer's card which is not tied to a specific provider of goods or services (see e.g., paragraph [0035] of Applicant's patent application) as does Applicant's claimed invention. Therefore, it is not surprising that Storey, in stark contrast to the embodiments of Applicant's invention as claimed in independent claims 1, 18, 33, 50 and 65, does not teach or suggest determining the travel distance associated with a purchased travel ticket or the like and basing credit card rewards thereon.

The foregoing deficiencies of Hardesty and Storey are also true of both the *www.frugalmarketing.com* article and PNC Bank piece cited by the Examiner in combination with Hardesty and Storey. The *www.frugalmarketing.com* article merely (and very generally) describes a basic supermarket loyalty program for rewarding loyal customers with various rewards which can include frequent flyer miles. The PNC Bank piece merely (and very generally) describes PNC Bank's reporting service options for merchants. Neither of these references teaches or suggests determining the travel distance associated with a travel ticket or the like purchased using a credit card (let alone using Level 3 data) and basing rewards thereon as in the claimed invention.

Notwithstanding the severe deficiencies of the PNC Bank piece as a reference on the merits, Applicant reserves the right to submit a declaration under 37 CFR 1.131 to remove the PNC Bank piece as a reference based on (i) reduction to practice of the present invention before the December 16, 2002 date of the reference, or (ii) conception of the present invention before the effective date of the reference coupled with due diligence from prior to the effective date to a subsequent reduction to practice or to the filing of the present patent application.

In view of the foregoing, Applicants respectfully submit that the references cited by the Examiner, whether taken alone or combined, do not yield, teach or suggest Applicant's invention as

claimed in independent claims 1, 18, 33, 50 and 65. Notice to the effect that these claims are patentable over the cited references is earnestly solicited.

Pending claims 2-18, 19-32, 34-43, 46-48, 53-64 and 66-69 variously depend from independent claims 1, 18, 33, 50 and 65 and are patentable over Hardesty, Storey, the *www.frugalmarketing.com* article, and the PNC Bank piece for the same reasons that these independent claims are patentable over the cited references. The dependent claims are also allowable for the additional features recited therein, and notice to this effect is also respectfully requested.

The rejections of dependent claims 5, 7, 9, 14, 24, 26, 28, 31, 37, 39, 41, 46, 56, 58, 60 and 63 are specifically traversed. These claims more particularly highlight various features of Applicant's invention discussed above in connection with (and covered by) the independent claims which patentably distinguish over conventional frequency award programs and loyalty programs of the type cited by the Examiner – namely, that the inventive credit card rewards program encourages increased use of the credit card issuer's card because the rewards are not tied to any specific provider of goods or services, and that Level 3 Data can be used to calculate miles traveled on which redeemable benefits are based.

On the basis of the foregoing amendments and these remarks, Applicant respectfully submits that this application is in form for immediate allowance. Notice to this effect is earnestly solicited. The Examiner is invited to contact Applicant's undersigned attorney at the telephone number set forth below if it will advance the prosecution of this case.

In the Request For Continued Examination Transmittal filed herewith, Applicant has requested suspension of action on this application for a period of three months. Applicant intends to file a Supplemental Amendment within that time period, and respectfully requests that no action be taken on this application until that Supplemental Amendment has been filed.

No additional fees are believed to be due with this Response. Please charge any fee deficiency and credit any overpayment to Deposit Account No. 50-0540.

Respectfully submitted,

By: 

Aaron S. Haleva, Esq.

Registration No. 44,733

KRAMER LEVIN NAFTALIS & FRANKEL LLP

1177 Avenue of the Americas

New York, New York 10036

(212) 715-9102

Attorneys for Applicant